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OFFICE OF PETITIONS

In re Application of :
Peter Muys et al :
Application No. 10/618,464 : ON PETITION
Filed: July 11, 2003 :
Attorney Docket No. DECLE60.001AUS :

This is a decision on the petition under the unintentional provisions of 37 CFR 1.137(b), filed March 21, 2006, to revive the above-identified application.

The petition is **DISMISSED.**

Any request for reconsideration of this decision must be submitted within TWO (2) MONTHS from the mail date of this decision. Extensions of time under 37 CFR 1.136(a) are permitted. The reconsideration request should include a cover letter entitled "Renewed Petition under 37 CFR 1.137(b)." This is **not** a final agency action within the meaning of 5 U.S.C. § 704.

The application became abandoned for failure to reply in a timely manner to the Office action under Ex parte Quayle, 1935 Dec. Comm'r Pat. 11 (1935), mailed July 27, 2004, which set a shortened statutory period for reply of two (2) months. No timely extensions of time were obtained under the provisions of 37 CFR 1.136(a). Accordingly, the application became abandoned on September 28, 2004.

A grantable petition under 37 CFR 1.137(b) must be accompanied by: (1) the required reply, unless previously filed; (2) the petition fee as set forth in 37 CFR 1.17(m); (3) a statement that the entire delay in filing the required reply from the due date for the reply until the filing of a grantable petition pursuant to 37 CFR 1.137(b) was unintentional; and (4) any terminal disclaimer (and fee as set forth in 37 CFR 1.20(d)) required by 37 CFR 1.137(d). Where there is a question as to whether either the abandonment or the delay in filing a petition under 37 CFR 1.137 was unintentional, the Director may require additional information. *See* MPEP 711.03(c)(II)(C). The instant petition fails to satisfy item (3).

The petition states that, in May 2005, this application was acquired from VDM, Laser Optics, N.V. (hereafter VDM) by Lambda Research Optics (hereafter Lambda). The events, which led to the unintentional abandonment of this application, are stated as follows:

1. On December 28, 2004, VDM's U.S. attorney received an instruction from VDM's foreign attorney (hereafter De Clereq), to allow the application to "lapse by not replying to the outstanding Office action." Here, reference is made to an attachment 1, which is not found with the petition. Because of the instruction received from VDM's foreign attorney, the U.S. attorney did not file a reply.
2. Despite the instruction from VDM's foreign attorney to not reply to the outstanding Office action, De Clereq has no record of this communication from VDM. Here, a reference is made to attachment 2, also not found of record.
3. Mr. Peter Muys, the CEO at the time of VDM was unaware of and did not intend for such direction to De Clereq to be given. A reference here is made to an attachment 3, also not found in the record.
4. A copy of the Notice of Abandonment of June 9, 2005 was mailed to De Clereq on June 27, 2005. Thereafter, Lambda, the current assignee, was notified of the abandoned status of the application on September 29, 2005 and initiated steps to revive this application.
5. From October 20, 2005 to the present, Lambda's current attorney, "during the normal course of managing his docket, has researched the facts related to, prepared, and filed this petition."

There are three periods to be considered during the evaluation of a petition under 37 CFR 1.137(b):

(1) the delay in reply that originally resulted in the abandonment;

(2) the delay in filing an initial petition pursuant to 37 CFR 1.137(b) to revive the application; and

(3) the delay in filing a grantable petition pursuant to 37 CFR 1.137(b) to revive the application.

Currently, the delay has not been shown to the satisfaction of the Director to be unintentional for periods (1) and (2).

As to Period (1):

The patent statute at 35 U.S.C. § 41(a)(7) authorizes the Director to revive an "unintentionally abandoned application." The legislative history of Public Law 97-247 reveals that the purpose of 35 U.S.C.

§ 41(a)(7) is to permit the Office to have more discretion than in 35 U.S.C. §§ 133 or 151 to revive abandoned applications in appropriate circumstances, but places a limit on this discretion, stating that "[u]nder this section a petition accompanied by either a fee of $500 or a fee of $50 **would not be granted where the abandonment** or the failure to pay the fee for issuing the patent **was intentional** as opposed to being unintentional or unavoidable." [emphasis added]. See H.R. Rep. No. 542, 97th Cong., 2d Sess. 6-7 (1982), *reprinted in* 1982 U.S.C.C.A.N. 770-71. The revival of an intentionally abandoned application is antithetical to the meaning and intent of the statute and regulation.

35 U.S.C. § 41(a)(7) authorizes the Commissioner to accept a petition "for the revival of an unintentionally abandoned application for a patent." As amended December 1, 1997, 37 CFR 1.137(b)(3) provides that a petition under 37 CFR 1.137(b) must be accompanied by a statement that the delay was unintentional, but provides that "[t]he Commissioner may require additional information where there is a question whether the delay was unintentional." Where, as here, there is a question whether the initial delay was unintentional, the petitioner must meet the burden of establishing that the delay was unintentional within the meaning of 35 U.S.C. § 41(a)(7) and 37 CFR 1.137(b). See In re Application of G, 11 USPQ2d 1378, 1380 (Comm'r Pats. 1989); 37 CFR 1.137(b). Petitioner should note that the issue is not whether some of the delay was unintentional by any party; rather, the issue is whether the entire delay has been shown to the satisfaction of the Director to be unintentional.

The question under 37 CFR 1.137(b) for period (1) is whether the delay on the part of the party having the right or authority to reply to avoid abandonment (or not reply) was unintentional. Accordingly, any renewed petition must clearly identify the party having the right to reply to avoid abandonment on September 27, 2004 or within the extendable period to January 27, 2005. That party, in turn, must explain what effort(s) was made to further reply to the outstanding Office action and further, why no reply was filed. If no effort was made to further reply, then that party must explain why the delay in this application does not result from a deliberate course of action (or inaction).

The showing of record is that the then assignee's U.S. attorney received instruction from the assignee's foreign attorney to not reply to the outstanding Office action. Current assignee, Lambda, is now seeking to revive this application. However, when the issue of revival is addressed, the focus must be on the rights of the parties as of the time of abandonment. See Kim v. Quigg, 718 F.Supp. 1280, 1284, 12 USPQ2d 1604, 1607 (E.D. Va. 1989). The record shows that the assignee's foreign attorney deliberately told the U.S. attorney to withhold filing a reply to the outstanding Office action. As a result of this deliberate action, this application became abandoned. A delay

caused by the deliberate decision not to take appropriate action within a statutorily prescribed period does not constitute an unintentional delay within the meaning of 35 U.S.C. § 41. In re Application of G, 11 USPQ2d 1378, 1380 (Comm'r Pat. 1989). Such intentional action or inaction precludes a finding of unintentional delay. In re Maldague, 10 USPQ2d 1477, 1478 (Comm'r Pat. 1988); Lawman Armor v. Simon, 2005 U.S. Dist. LEXIS 10843, 74 USPQ2d 1633 (DC EMich 2005); Field Hybrids, LLC v. Toyota Motor Corp., 2005 U.S. Dist. LEXIS 1159 (D. Minn Jan. 27, 2005); Lumenyte Int'l Corp. v. Cable Lite Corp., Nos. 96-1011, 96-1077, 1996 U.S. App. LEXIS 16400, 1996 WL 383927 (Fed. Cir. July 9, 1996) (unpublished). Moreover, that delay is binding upon successors in title to VDM. See, Winkler v. Ladd, 221 F.Supp. 550, 552, 138 USPQ 666, 667 (D.D.C. 1963). Petitioner, as an asserted successor in title, remains bound by the decisions, actions, or inactions, of VDM and its attorneys, including the decisions, actions, or inactions, which resulted in the lack of a timely reply to the outstanding Office action in this application. Id.; Kim supra.

The record currently fails to demonstrate that VDM, the owner of this application at the time the reply to the outstanding Office action of July 24, 2004 was due, intended to proceed with prosecution of this application. VDM, as the owner of the entire interest at the time the reply was due, was free to deal with this application as VDM willed. See Garfield v. Western Electric Co., 298 F.659 (S.D.N.Y. 1924). It follows that it is immaterial to the delay during the time the reply was due that petitioner may have been unaware of, or would not have acquiesced to, VDM's actions or inactions. Kim, supra. That petitioner, upon its acquisition of its rights in the patent, may have acted with dispatch, is immaterial to, and does not overcome, the delay attributable to VDM. Id.

Copies of any correspondence relating to the filing, or to not filing a further reply to the outstanding Office action are required from the responsible person(s), as well as statements from all persons having firsthand knowledge of the circumstances surrounding the lack of a reply to the outstanding Office action. As the courts have made clear, it is pointless for the USPTO to revive an abandoned application without an adequate showing that the delay did not result from a deliberate course of action. See Lawman Armor v. Simon, 2005 U.S. Dist. LEXIS 10843, 74 USPQ2d 1633 (DC EMich 2005); Field Hybrids, LLC v. Toyota Motor Corp., 2005 U.S. Dist. LEXIS 1159 (D. Minn Jan. 27, 2005); Lumenyte Int'l Corp. v. Cable Lite Corp., Nos. 96-1011, 96-1077, 1996 U.S. App. LEXIS 16400, 1996 WL 383927 (Fed. Cir. July 9, 1996) (unpublished) (patents held unenforceable due to a finding of inequitable conduct in submitting an inappropriate statement that the abandonment was unintentional).

As to Period (2):

Likewise, where the applicant deliberately chooses not to seek or persist in seeking the revival of an abandoned application, or where the applicant deliberately chooses to delay seeking the revival of an abandoned application, the resulting delay in seeking revival of the abandoned application cannot be considered as "unintentional" within the meaning of 37 CFR 1.137(b). See MPEP 711.03(c).

The language of both 35 U.S.C. § 41(a)(7) and 37 CFR 1.137(b) are clear and unambiguous, and furthermore, without qualification. That is, the delay in filing the reply during prosecution, as well as in filing the petition seeking revival, must have been, without qualification, "unintentional" for the reply to now be accepted on petition. The Office requires that the entire delay be at least unintentional as a prerequisite to revival of an abandoned application to prevent abuse and injury to the public. See H.R. Rep. No. 542, 97th Cong., 2d Sess. 7 (1982), reprinted in 1982 U.S.C.C.A.N. 771 ("[i]n order to prevent abuse and injury to the public the Commissioner . . . could require applicants to act promptly after becoming aware of the abandonment"). The December 1997 change to 37 CFR 1.137 did not create any new right to overcome an intentional delay in seeking revival, or in renewing an attempt at seeking revival, of an abandoned application. See Changes to Patent Practice and Procedure; Final Rule Notice, 62 Fed. Reg. 53131, 53160 (October 10, 1997), 1203 Off. Gaz. Pat. Office 63, 87 (October 21, 1997). The record currently fails to demonstrate that VDM, as the owner of this application, sought prompt revival of this application upon learning of the alleged mistaken abandonment of this application. As noted above, that petitioner, upon its acquisition of its rights in the patent, may have acted with dispatch, is immaterial to, and does not overcome, the delay attributable to VDM. As the courts have since made clear, a delay in seeking revival, as here, requires a petitioner's detailed explanation seeking to excuse the delay as opposed to USPTO acceptance of a general allegation of unintentional delay. See Lawman Armor v. Simon, 2005 U.S. Dist. LEXIS 10843, 74 USPQ2d 1633, at 1637-8 (DC EMich 2005); Field Hybrids, LLC v. Toyota Motor Corp., 2005 U.S. Dist. LEXIS 1159 (D. Minn Jan. 27, 2005) at *21-*23. Accordingly, statements are required from any and all persons having firsthand knowledge of the circumstances surrounding the delay, after the abandonment date, in seeking revival.

In addition, the fact that this application was deliberately abandoned is demonstrated by the examiner's statement in the Notice of Abandonment mailed on June 9, 2005, which states: "Verified application was intentionally abandoned in 6/8/2005 telecon with applicant's representative, Mr. John Carson."

As the record fails to demonstrate that "the entire delay in filing the required reply from the due date for the reply until the filing of

a grantable petition pursuant to 37 CFR 1.137(b) was unintentional," the petition to revive must be dismissed.

Further correspondence with respect to this matter should be addressed as follows:

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By hand: U. S. Patent and Trademark Office
Customer Service Window, Mail Stop Petitions
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401 Dulany Street
Alexandria, VA 22314

The centralized facsimile number is **(571) 273-8300.**

Alternatively, any request for reconsideration of this decision may be filed by the Electronic Filing System (EFS).

Telephone inquiries concerning this decision should be directed to the undersigned at (571) 272-3218.

Frances Hicks
Petitions Examiner
Office of Petitions